



COMMUNITY DEVELOPMENT DEPARTMENT
80 Columbia Avenue, Marysville, WA 98270
(360) 363-8100, (360) 651-5099 FAX

Assignment of Bank Account for Security Purposes

For Performance Purposes Only

_____ (hereinafter referred to as "Developer") hereby assigns to the CITY OF MARYSVILLE for security purposes only, the sum of:

(Written Amount)

(\$_____) which is deposited in savings account number

_____ at _____ Bank,

_____, Branch. This assignment shall be on the following terms and conditions:

1. This assignment shall not relate to any interest which accrues on said account, and said interest may be withdrawn by the DEVELOPER at any time.
2. This assignment is security for performance by the DEVELOPER of the following obligations with respect to:

Name of Development / Project Number / Site Address

3. The obligations referred to above shall be completed to the CITY'S satisfaction on the following schedule:
4. In the event that the DEVELOPER defaults on the obligation referred to above, as determined by the City Engineer, a written notice shall be sent the DEVELOPER requiring performance to be completed within thirty (30) days thereafter. If the performance is not complete as required by the notice, the City shall have the right to proceed with the work itself, and shall charge all costs of labor, materials, engineering, taxes, incidental costs and expenses, and a 25% administrative overhead fee to the DEVELOPER'S account. The CITY shall thereupon send an invoice for its charges to the DEVELOPER and to the Bank, and within ten (10) days of receipt of said invoice, the amount of said invoice shall be paid in full by the bank to the CITY from the assigned bank account referenced above. If said funds are insufficient and a deficiency remains, the DEVELOPER shall be responsible for the same, and shall immediately pay said deficiency, in full directly to the City. Any delinquency in the DEVELOPER'S obligation shall accrue interests at the rate of 12% per annum.
5. Upon completion of all obligations referred to above, the DEVELOPER may apply to the CITY for a release of all funds held in the assigned bank account. If the City Engineer, of his designee, finds that the work has been satisfactorily completed, he shall immediately notify the Bank, in writing, that the balance of funds in the assigned bank account may be released to the DEVELOPER. Upon said funds being released, this Agreement shall terminate and no party shall have any further obligation hereunder.

6. This Assignment is irrevocable without the written consent of the City. The assigned funds shall be held exclusively for the benefit of the CITY and shall not be subject to further assignment or encumbrance of the DEVELOPER, or attachment by any creditors of the DEVELOPER. All amounts deposited in the above referenced account which are assigned to the CITY OF MARYSVILLE, unless paid as provided in Paragraph 4, above, shall remain in said account until released as provided in Paragraph 5, above, partial disbursements of such funds shall not be made as the DEVELOPER'S performance progress.
7. Should any disputes arise between the CITY and the DEVELOPER regarding the terms of this Agreement, the Bank shall have the option to hold all matters in a pending status until the dispute is resolved or to join in or commence a court action, and deposit the assigned funds into the registry of the court. In the event of any litigation regarding the terms of the Agreement, the CITY and the DEVELOPER shall indemnify and hold the Bank harmless from any costs or attorney's fees incurred in connection with the same.
8. Time is of the essence of this Agreement. If litigation is filed to enforce any term of the Agreement, the prevailing party, as between the CITY and the DEVELOPER, shall be entitled to judgment for court costs and attorney's fees incurred therein.
9. This Agreement is binding upon the parties, their heirs, successors and assigns.

Dated: _____, 20_____.

DEVELOPER:

Print Name

BANK:

Print Name

Title

**ACCEPTED BY THE CITY OF
MARYSVILLE:**

By: _____

Title

Date